Jeffrey C. Misley, OSB No. 850674 jeffm@sussmanshank.com Barry P. Caplan, OSB No. 650178 barry@sussmanshank.com SUSSMAN SHANK LLP 1000 SW Broadway, Suite 1400 Portland, OR 97205-3089 Telephone: (503) 227-1111

Facsimile: (503) 227-1111

Attorneys for Receiver Myers & Co. Consultants LLC

# UNITED STATES DISTRICT COURT

# DISTRICT OF OREGON

OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF UNITED PIPE & SUPPLY CO., INC.

Case No. 3:12-cv-00694-HZ

Plaintiff,

RECEIVER'S MOTION TO APPROVE FINAL REPORT, TERMINATE RECEIVERSHIP, DISCHARGE RECEIVER AND EXONERATE BOND

٧.

UNITED PIPE & SUPPLY CO., INC., an Oregon Corporation

Defendant.

Myers & Co. Consultants LLC, court appointed Receiver of the above named defendant (the "Receiver"), hereby files this Motion to Approve Final Report, Terminate Receivership, Discharge Receiver and Exonerate Bond (the "Motion"). The Motion is based upon the statements herein; the supporting Declaration of Conrad Myers filed herewith, the records and files in this action, and such other and further supporting documents that may be presented in support of the Motion. As more fully set forth herein, the Receiver has substantially liquidated the real and personal property assets of the Defendant. The majority of funds in the Receivership Estate have been distributed to creditors as summarized below,

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and the Plan has been substantially consummated. In support of the Motion, the Receiver represents as follows:

# 1. Appointment of Receiver.

On April 19, 2012 an Order Appointing Receiver was entered by the Court appointing Myers & Co. Consultants LLC as Receiver in this case.

# 2. Approval of Joint Distribution Plan of Receiver and the Committee.

On February 25, 2013 the Court entered an Order Approving Joint Distribution Plan of the Receiver and the Committee (the "Plan") [Dkt. No. 160]. Among other things, the Plan classifies claims and interests into six classes and provides specific terms for the distribution of funds to creditors holding Allowed Claims. As of November 25, 2013, the Receiver has made distributions in the aggregate amount of \$3.89 million to Class 3 and Class 4 Unsecured Creditors as summarized below.

# 3. Class 1—First Capital Western Region, LLC.

The Allowed Claim of First Capital Western Region, LLC ("FCC") has been satisfied in full by payment to FCC from funds realized from the sale of liquidation of assets of the receivership. No further distribution will be made to FCC.

### 4. Class 2—Other Secured Claims.

Holders of Class 2 Secured Claims have been satisfied by either 1) payment of the Allowed Claim; 2) the surrender or sale of the collateral securing such Claims; or 3) separate agreement between the Receiver and the holder of the Secured Claim.

# 5. Class 3—Unsecured Creditors.

Class 3 consists of General Unsecured Creditors holding Allowed Claims in amounts greater than \$2,500. Each holder of an Allowed Class 3 Unsecured Claim is entitled to

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<sup>&</sup>lt;sup>1</sup> Capitalized terms not defined herein shall have the meaning set forth in the Plan.

receive its Pro Rata Share of any distribution made to Class 3 Creditors.

A. <u>Initial Distribution.</u> An initial distribution of 28.9721% of the amount of

such holder's Allowed Class 3 Claim was made on or about January 31, 2013. A total of

\$2.6 million was distributed to the holders of Allowed Class 3 Claims as part of the initial

distribution.

B. <u>Second Distribution.</u> A second distribution totaling \$929,244 has been

made to holders of Allowed Class 3 Claims. The combined initial and second distributions

represent a 38.15% distribution to Class 3 Creditors.

C. Further Distributions. At the request of the Official Committee of

Unsecured Creditors of United Pipe & Supply Co., Inc. (the "Committee"), all further

distributions to Class 3 Claimants will be made by the Trustee of the UPS Liquidating Trust

being formed for the benefit of Class 3 Creditors. The Committee has represented to the

Receiver that the Trustee will make its first such interim distribution as soon as reasonably

possible after the Receiver has transferred any remaining assets to the UPS Liquidating

Trust. The Receiver estimates that following the Trustee's first interim distribution (estimated

at \$650,000), a total of \$4.2 million will have been distributed to Class 3 Claimants, which

represents a 45.4% distribution to creditors.

6. Class 4—Convenience Claims.

Class 4 consists of all Unsecured Creditors holding Allowed Claims in the amount of

\$2,500 or less. Under the Plan, holders of Class 4 Claims are entitled to receive a single

Cash payment in an amount estimated to be 70% of the amount of such holder's Allowed

Claim.

On or about January 31, 2013 distribution checks were mailed to holders of Allowed

Class 4 Claims. A total of \$283,627 has been distributed to the holders of Allowed Class 4

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Claims which represents a 70% distribution. **No further distributions will be made to Class 4 creditors.** 

# 7. Class 5—United Pipe Equity Interests.

Class 5 of the Plan consists of all Equity Interest Claims. No distributions will be made to the holders of Class 5 Claims.

# 8. Class 6—Insider Claims.

The Allowed Claims of Insiders, if any, will be subordinated in payment and priority to the Allowed Claims of Class 3 and Class 4 Unsecured Creditors. Holders of Insider Claims will not receive any payments pursuant to the Plan unless and until the Allowed Claims of Class 3 and Class 4 Creditors are paid in full.

# 9. Administrative Claim Bar Date.

The Plan required that any additional requests for payment of Administrative Claims must be filed and served upon the Receiver no later than thirty (30) days following the Plan Approval Date. No such claims were filed or received by the Receiver by the Administrative Claims Bar Date (March 28, 2013). Accordingly, under the Plan any holders of unfiled claims for Administrative Claims are now forever barred, estopped and enjoined from asserting such Administrative Claims against the Plan Debtor or the Receivership Estate.

# 10. Resolution of Pending Litigation.

The Receiver has resolved all pending litigation claims. To the best of the Receiver's knowledge, all other pending actions or litigation proceedings involving UPS have been settled, dismissed or otherwise resolved.

# 11. Financial Reporting and Final Report.

The Receiver has filed monthly financial reports throughout the receivership case detailing all cash receipts and disbursements made since the commencement of the case. The Receiver has also filed quarterly reports of receipts and disbursements with the Court as

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required by the Plan. The Receiver filed its Notice of Receiver's Post Plan Approval Quarterly Statement of Receipts and Disbursements on September 17, 2013 [Dkt. No. 1358]. A copy of the Receiver's Final Report (the "Report") is attached hereto as Exhibit 1. As set forth in Exhibit 1, the Report provides a detailed breakdown of receipts and disbursements for the period of April 19, 2012 through November 25, 2013. The Report also provides cumulative financial information on all distributions made by the Receiver to creditors pursuant to the approved Plan.

The Receiver will file an amended final report that will show any activity following November 25, 2013, including the payment of final receivership administrative expenses and the transfer of funds to the UPS Liquidating Trust.

# 12. <u>Termination of Receivership.</u>

The Receiver has liquidated substantially all real and personal property in the Receivership Estate and distributed the majority of funds in the Receivership Estate to creditors. As such, the Distribution Plan has been substantially consummated. All administrative expenses and other costs of the Receivership have been paid to date. As noted below, the Receiver will make a final transfer of any remaining assets of United Pipe & Supply Co., Inc. ("United "Pipe) to the UPS Liquidating Trust, including, but not limited to the books and records of United Pipe in its possession or under its control, as soon as practicable after the order is entered by this Court approving this Motion.

# 13. Assignment of Remaining Assets and Transfer of Funds to Liquidating Trust.

Pursuant to agreement between the Receiver and the Committee, any remaining receivership assets not yet fully administered including, but not limited to, all cash and cash equivalents, accounts receivable, Defendant's membership interest in "Six Corners, LLC," an Oregon LLC and the books and records of United Pipe in the Receiver's possession or under his control, will be transferred and assigned to the UPS Liquidating Trust formed for

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the benefit of the holders of Class 3 General Unsecured Claims. The Trustee of the UPS

Liquidating Trust will be charged with the responsibility of administering and liquidating the

assets of the trust for the eventual benefit of the holders of Allowed Class 3 General

Unsecured Claims.

14. **Notice.** 

The Receiver proposes that notice of this motion be served on all creditors and

interested parties receiving ECF notice, all Class 3 Unsecured Creditors, and those parties

who have requested Special Notice, and that if no objections to the Motion are filed and

received by Friday, December 13, 2013, the Receiver will submit a proposed order to the

Court granting the relief requested herein.

WHEREFORE, Receiver requests that this Court enter an Order:

1. Approving the Receiver's final accounting, the Report attached hereto, and the

financial reports filed in connection with this case; in accordance with the Plan and the relief

requested herein;

2. Approving the payments made during the pendency of the receivership case

and authorizing the Receiver to transfer to the UPS Liquidating Trust all remaining assets of

the Receivership after payment of all expenses, including the Receivership administrative

expenses;

3. Finding that the Receiver's acts, transactions and all of its actions, including

the actions of its employees and agents, as Receiver herein for the Receivership period be

ratified, confirmed and approved as being right and proper and in the best interest of the

Receivership Estate and the parties to this action;

4. Discharging the Receiver, its officers, employees, agents, attorneys and

representatives from all further duties, liabilities and responsibilities herein, other than those

actions necessary to making any final distribution to creditors;

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RECEIVERSHIP, DISCHARGE RECEIVER AND EXONERATE BOND

- 5. Authorizing the assignment and transfer of any additional assets not fully administered to the Liquidating Trust as requested herein; and
  - 6. Exonerating the Receiver's bond.

DATED this 27th day of November, 2013.

Respectfully Submitted,

SUSSMAN SHANK LLP

By: /s/ Jeffrey C. Misley\_

Jeffrey C. Misley, OSB No. 85067

(503) 227-1111

Attorneys for Receiver Myers & Co. Consultants LLC

\*21824-001\(11/27) RECEIVER'S MOTION TO APPROVE FINAL REPORT, TERMINATE RECEIVERSHIP, DISCHARGE RECEIVER (01748555);4

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### Myers & Co. Consultants, LLC

# **Receiver's Report of Cash Activity**

For the Sep. 1 to Nov. 25, 2013 and

For the Period April 19, 2012 (Date of Appointment) through Nov. 25, 2013

Beginning Cash Bolances           Increases in Cash         0         8,599,518           Asset Sales         0         8,699,31,255           Advances from First Capital Corporation (FCC)         0         5,933,255           Refunds to United Pipe from First Capital         0         1,932,913           Misc. Cash Sales & Collections         0         744,052           Collection of Accounts Receivable         21,241         11,042,535           Total Increases         21,241         11,042,535           Total Increases         0         2,424,002           Payrolls         0         2,424,604           Payrolls         0         2,2497         106,942           Payrolls         2,497         2,731,760           Payrolls of Cash         0         14,507,957           Payroll on Louding taxes & ADP Fees         0         2,497         106,942           0         1,2497         106,942         106,942         106,942           0         1,2497         106,942         106,942         106,942         106,942         106,942         106,942         106,942         106,942         106,942         106,942         106,942         106,942         106,942         106,942 <td< th=""><th>Account / Description</th><th>Notes</th><th>June 1 Through November 25, 2013</th><th>Appointment (April 19, 2012) through November 25, 2013</th></td<>	Account / Description	Notes	June 1 Through November 25, 2013	Appointment (April 19, 2012) through November 25, 2013
September 1, 2013 and November 25, 2012   1   309,250   589,814     Increases in Cash	Beginning Cash Balances			
Name		1	309,250	589,814
Asset Sales         0         8,695,518           Advances from First Capital Corporation (FCC)         0         5,493,255           Refunds to United Pipe from First Capital         0         1,932,213           Misc. Cash Sales & Collections         21,241         11,042,533           Collection of Accounts Receivable         21,241         11,042,533           Total Increases         21,241         27,872,274           Decreases in Cash           Payroll including taxe & ADP Fees         0         2,445,04           December 2012 Taxes paid January 2013         0         20,213           401(k) & FSA contribution         2,497         10,542           401(k) & FSA contribution         2,497         10,542           Customer Refunds         0         1,507,957           Customer Refunds         0         1,509,870           Customer Refunds         0         1,509,870           Operating Expenses         0         1,509,870           Facility Rent         0         250,122           Payments to Vendors for Goods Received         0         3,036           Mincron Software Maintenance         0         3,036           Equipment Rent         0         2,244,24           Tele		=	,	
Advances from First Capital Corporation (FCC)         0         5,493,255           Refunds to United Pipe from First Capital         0         1,932,913           Misc. Cash Sales & Collections         0         744,052           Collection of Accounts Receivable         21,241         11,042,535           Total Increases         21,241         11,042,535           Payroll Including taxes & ADP Fees         0         2,424,600           December 2012 Taxes paid January 2013         0         0         20,213           401(k) & FSA contribution         2,497         10,5942           Payroll Including taxes & ADP Fees         0         2,497         10,5942           401(k) & FSA contribution         2,497         10,5942           Payments to First Capital Credit Line         0         14,507,957           Customer Refunds         0         14,507,957           Customer Refunds         0         19,131           Operating Expenses         0         14,507,957           Facility Rent         0         5,2122           Payments to Vendors for Goods Received         0         1,874,603           Mincron Software Maintenance         0         1,874,603           Equipment Rent         0         2,48			0	8 659 518
Refunds to United Pipe from First Capital         0         734,052           Collection of Accounts Receivable         21,241         11,042,535           Total Increases         21,241         12,027           Total Increases         321,241         11,042,535           Total Increases         821,241         11,042,535           Total Increases         80         2,424,600           Payroll         0         200,213           401(k) & FSA contribution         2,497         105,942           401(k) & FSA contribution         2,497         105,942           Payments to First Capital Credit Line         0         1,507,957           Customer Refunds         0         0         1,502,220           Payments to Vendors for Goods Received         0         1,503,222           Payments to Vendors for Goods Received         0         1,874,603           Mincron Software Maintenance         0         2,5482           Eqipher Net         0         2,5482 </td <td></td> <td></td> <td></td> <td></td>				
Misc. Cash Sales & Collections         0         744,052           Collection of Accounts Receivable         21,241         11,042,735           Total Increases         21,241         12,7872,274           Decreases in Cash           Payrolls         Second Seco	· · · · · · · · · · · · · · · · · · ·			
Collection of Accounts Receivable         21,241         1,042,535           Total Increases         21,241         27,872,278           Decreases in Cash           Payroll         Second Second Second Second Second Second Second Dist. Receiver Span January 2013         0         2,0213           401(k) & FSA contribution         2,497         106,942           2,497         2,731,760         2,021           Poyments to First Copital Credit Line           Collections to FCC Lockbox         0         14,507,957           Customer Refunds         0         14,507,957           Customer Refunds         0         1,507,807           Operating Expenses           Facility Rent         0         1,876,603           Mincron Software Maintenance         0         1,876,603           Mincron Software Maintenance         0         2,438           Equipment Rent         0         2,542           Freight / Delivery Cost         3,370         177,613           Telephone         0         120,250           State/Local Sales & Other Taxes         3,370         177,613           Outside Services         2         78,299         981,807           Well state (Including Trash Removal) <td>·</td> <td></td> <td></td> <td></td>	·			
Total Increases         21,241         27,872,274           Decreases in Cash           Payroll including taxes & ADP Fees         0         2,424,604           December 2012 Taxes paid January 2013         0         200,213           401(k) & FSA contribution         2,497         106,942           Payments to First Capital Credit Line         2,497         2,731,760           Customer Refunds         0         14,507,957           Customer Refunds         0         19,913           Payments to Vendors for Goods Received         0         1,576,603           Payments to Vendors for Goods Received         0         25,122           Payments to Vendors for Goods Received         0         25,482           Freight Oblivery Cost         0         243,360           Insurance         0         116,613           Freight Oblivery Cost         0         120,250           State/Local Sales & Other Taxes         3,370         177,613           Outside Services         2         78,299         981,807           Utilities (Including Trash Removal)         0         120,250           Utilities (Including Trash Removal)         0         12,067           Flex Spending Account Contributio			•	
Payrolls           Payroll including taxes & ADP Fees         0         2,424,604           December 2012 Taxes paid January 2013         0         200,213           401(k) & FSA contribution         2,497         105,942           Payments to First Copital Credit Line         0         1,507,957           Customer Refunds         0         1,913           Operating Expenses         0         1,913           Facility Rent         0         250,122           Payments to Vendors for Goods Received         0         1,874,603           Mincron Software Maintenance         0         250,122           Equipment Rent         0         253,482           Freight / Delivery Cost         0         243,360           Insurance         0         116,613           Telephone         0         120,250           State/Local Sales & Other Taxes         3,370         177,613           Outside Services         2         78,299         981,807           Utilities (Including Trash Removal)         0         122,607           Flex Spending Account Contributions         0         20,442           Merchant Fees for Credit Card Processing         0         0           Merchant Fees for Cred		-		
Payroll including taxes & ADP Fees         0         2,424,604           December 2012 Taxes paid January 2013         0         200,213           401(k) & FSA contribution         2,497         106,942           Payments to First Capital Credit Line         2,497         106,942           Collections to FCC Lockbox         0         14,507,957           Customer Refunds         0         19,13           Customer Refunds         0         14,509,870           Operating Expenses         0         15,0122           Facility Rent         0         25,0122           Payments to Vendors for Goods Received         0         30,356           Equipment Rent         0         25,482           Freight / Delivery Cost         0         243,360           Insurance         0         116,613           Telephone         0         120,250           State/Local Sales & Other Taxes         3,370         177,613           Outside Services         2         78,299         981,807           Utilities (Including Trash Removal)         0         8,227           Merchant Fees for Credit Card Processing         0         121,607           Merchant Fees for Credit Card Processing         0         10,000		=	,	
Payroll including taxes & ADP Fees         0         2,424,604           December 2012 Taxes paid January 2013         0         200,213           401(k) & FSA contribution         2,497         106,942           Payments to First Capital Credit Line         0         14,507,957           Customer Refunds         0         1,913           Customer Refunds         0         1,913           Payments to Vendors for Goods Received         0         250,122           Payments to Vendors for Goods Received         0         1,874,603           Mincro Software Maintenance         0         30,356           Equipment Rent         0         25,482           Freight / Dellyvery Cost         0         120,250           Insurance         0         110,613           Telephone         0         120,250           State/Local Sales & Other Taxes         3,370         177,613           Outside Services         2         78,299         981,807           Utilities (Including Trash Removal)         0         121,607           Flex Spending Account Contributions         0         20,442           Merchant Fees for Credit Card Processing         0         20,442           Miscellaneous Other Overhead Expenses         <				
December 2012 Taxes paid January 2013         0         20,497         106,942           401(k) & FSA contribution         2,497         106,942           Payments to First Capital Credit Line         2,497         2,731,760           Collections to FCC Lockbox         0         14,507,957           Customer Refunds         0         1,913           Operating Expenses         8         0         250,122           Payments to Vendors for Goods Received         0         250,122           Payments to Vendors for Goods Received         0         30,356           Equipment Rent         0         25,482           Freight / Delivery Cost         0         243,360           Insurance         0         10,250           State/Local Sales & Other Taxes         3,370         177,613           Outside Services         2         78,299         981,807           Utilities (Including Trash Removal)         0         120,250           State/Local Sales & Other Taxes         3,370         177,613           Outside Services         2         78,299         981,807           Utilities (Including Trash Removal)         0         120,207           Hex Spending Account Contributions         0         20,442			0	2 424 604
A01(k) & FSA contribution   2,497   2,731,760				
2,497   2,731,760				,
Payments to First Capital Credit Line           Collections to FCC Lockbox         0         14,507,957           Customer Refunds         0         1,913           Customer Refunds         0         1,913           Operating Expenses         0         250,122           Facility Rent         0         250,122           Payments to Vendors for Goods Received         0         1,874,603           Mincron Software Maintenance         0         30,356           Equipment Rent         0         25,482           Freight / Delivery Cost         0         243,360           Insurance         0         116,613           Telephone         0         120,250           State/Local Sales & Other Taxes         3,370         177,613           Outside Services         2         78,299         981,807           Utilities (including Trash Removal)         0         8,527           Merchant Fees for Credit Card Processing         0         20,442           Miscellaneous Other Overhead Expenses         1,404         512,822           Receiver Ship Expenses         33,073         4,483,604           Receiver Bond         0         10,000           Receiver Bond Fees - Auctioneer	401(k) & F3A COULUBULIOU	-		
Collections to FCC Lockbox         0         14,507,957           Customer Refunds         0         1,913           Customer Refunds         0         1,913           Operating Expenses         Security         30         1250,122           Facility Rent         0         250,122           Payments to Vendors for Goods Received         0         1,874,603           Mincron Software Maintenance         0         30,356           Equipment Rent         0         25,482           Freight / Delivery Cost         0         243,360           Insurance         0         116,613           Telephone         0         120,250           State/Local Sales & Other Taxes         3,370         177,613           Outside Services         2         78,299         981,807           Utilities (Including Trash Removal)         0         121,607           Flex Spending Account Contributions         0         8,527           Merchant Fees for Credit Card Processing         0         8,527           Merchant Fees for Credit Card Processing         1,404         512,822           Miscellaneous Other Overhead Expenses         33,073         4,833,604           Receiver Bond         0         0		-	2,437	2,731,700
Customer Refunds         0         1,913           Operating Expenses         3         14,509,870           Facility Rent         0         250,122           Payments to Vendors for Goods Received         0         1,874,603           Mincron Software Maintenance         0         30,356           Equipment Rent         0         25,482           Freight / Delivery Cost         0         243,360           Insurance         0         116,613           Telephone         0         120,250           State/Local Sales & Other Taxes         3,370         177,613           Outside Services         2         78,299         981,807           Utilities (Including Trash Removal)         0         121,607           Flex Spending Account Contributions         0         20,442           Merchant Fees for Credit Card Processing         0         20,442           Miscellaneous Other Overhead Expenses         1,404         512,822           Receiver Bond         0         10,000           Receiver Fees         33,204         1,248,926           Receiver Fees         33,204         1,248,926           Receiver Fees - Auctioneer         3         3,446         746,083				
Operating Expenses         14,509,870           Facility Rent         0         250,122           Payments to Vendors for Goods Received         0         1,874,603           Mincron Software Maintenance         0         30,356           Equipment Rent         0         25,482           Freight / Delivery Cost         0         243,360           Insurance         0         116,613           Telephone         0         120,250           State/Local Sales & Other Taxes         3,370         177,613           Outside Services         2         78,299         981,807           Utilities (Including Trash Removal)         0         121,607           Flex Spending Account Contributions         0         8,527           Merchant Fees for Credit Card Processing         0         20,442           Miscellaneous Other Overhead Expenses         1,404         512,822           Receiver Bond         0         10,000           Receiver Bond         0         10,000           Receiver Bees         33,446         746,083           Professional Fees - Auctioneer         0         66,067           First Dist. Paid to Class 3 (Unsecured) Claimants         4         0         2,490,520      <				
Pacility Rent	Customer Refunds	-		
Facility Rent         0         250,122           Payments to Vendors for Goods Received         0         1,874,603           Mincron Software Maintenance         0         30,356           Equipment Rent         0         25,482           Freight / Delivery Cost         0         243,360           Insurance         0         116,613           Telephone         0         120,250           State/Local Sales & Other Taxes         3,370         177,613           Outside Services         2         78,299         981,807           Utilities (Including Trash Removal)         0         121,607           Flex Spending Account Contributions         0         8,527           Merchant Fees for Credit Card Processing         0         20,442           Miscellaneous Other Overhead Expenses         1,404         512,822           Receiver Ship Expenses         33,073         4,483,604           Receiver Bond         0         10,000           Receiver Fees         33,204         1,248,926           Receiver Counsel Fees         38,446         746,083           Professional Fees - Auctioneer         0         66,067           Distributions to Claimants         4         0         2,490,520<		-	0	14,509,870
Payments to Vendors for Goods Received         0         1,874,603           Mincron Software Maintenance         0         30,356           Equipment Rent         0         25,482           Freight / Delivery Cost         0         243,360           Insurance         0         116,613           Telephone         0         120,250           State/Local Sales & Other Taxes         3,370         177,613           Outside Services         2         78,299         981,807           Utilities (Including Trash Removal)         0         121,607           Flex Spending Account Contributions         0         8,527           Merchant Fees for Credit Card Processing         0         20,442           Miscellaneous Other Overhead Expenses         1,404         512,822           Receivership Expenses         33,073         4,483,604           Receiver Bond         0         10,000           Receiver Fees         33,204         1,248,926           Receiver Counsel Fees         38,446         746,083           Professional Fees - Auctioneer         0         66,067           Distributions to Claimants         4         0         2,490,520           First Dist. Paid to Class 4 (Convenience) Claimants	Operating Expenses			
Mincron Software Maintenance       0       30,356         Equipment Rent       0       25,482         Freight / Delivery Cost       0       243,360         Insurance       0       116,613         Telephone       0       120,250         State/Local Sales & Other Taxes       3,370       177,613         Outside Services       2       78,299       981,807         Utilities (Including Trash Removal)       0       121,607         Flex Spending Account Contributions       0       8,527         Merchant Fees for Credit Card Processing       0       20,442         Miscellaneous Other Overhead Expenses       1,404       512,822         Receivership Expenses       38,3073       4,483,604         Receiver Bond       0       10,000         Receiver Fees       33,204       1,248,926         Receiver Counsel Fees       38,446       746,083         Professional Fees - Auctioneer       0       60,067         Distributions to Claimants       4       0       2,490,520         First Dist. Paid to Class 3 (Unsecured) Claimants       4       0       2,249,0520         First Dist. Paid to Class 3 (Unsecured) Claimants       4       0       2,261,210	Facility Rent		0	250,122
Equipment Rent         0         25,482           Freight / Delivery Cost         0         243,360           Insurance         0         116,613           Telephone         0         120,250           State/Local Sales & Other Taxes         3,370         177,613           Outside Services         2         78,299         981,807           Utilities (Including Trash Removal)         0         121,607           Flex Spending Account Contributions         0         8,527           Merchant Fees for Credit Card Processing         0         20,442           Miscellaneous Other Overhead Expenses         1,404         512,822           Receiver Bond         0         10,000           Receiver Bond         0         10,000           Receiver Counsel Fees         33,204         1,248,926           Receiver Counsel Fees         38,446         746,083           Professional Fees - Auctioneer         0         66,067           71,650         2,071,077           Distributions to Claimants         4         0         2,490,520           First Dist. Paid to Class 3 (Unsecured) Claimants         4         0         2,261,210           Second Dist. Paid to Class 3 (Unsecured) Claimants         4	Payments to Vendors for Goods Received		0	1,874,603
Freight / Delivery Cost         0         243,360           Insurance         0         116,613           Telephone         0         120,250           State/Local Sales & Other Taxes         3,370         177,613           Outside Services         2         78,299         981,807           Utilities (Including Trash Removal)         0         121,607           Flex Spending Account Contributions         0         8,527           Merchant Fees for Credit Card Processing         0         20,442           Miscellaneous Other Overhead Expenses         1,404         512,822           Miscellaneous Other Overhead Expenses         1,404         512,822           Receiver Bond         0         10,000           Receiver Fees         33,204         1,248,926           Receiver Fees         38,446         746,083           Professional Fees - Auctioneer         0         66,067           71,650         2,071,077           Distributions to Claimants         4         0         2,490,520           First Dist. Paid to Class 3 (Unsecured) Claimants         4         0         2,261,210           Second Dist. Paid to Class 4 (Convenience) Claimants         4         0         2,261,210           S	Mincron Software Maintenance		0	30,356
Insurance	Equipment Rent		0	25,482
Telephone         0         120,250           State/Local Sales & Other Taxes         3,370         177,613           Outside Services         2         78,299         981,807           Utilities (Including Trash Removal)         0         121,607           Flex Spending Account Contributions         0         8,527           Merchant Fees for Credit Card Processing         0         20,442           Miscellaneous Other Overhead Expenses         1,404         512,822           Receiver Bond         0         10,000           Receiver Fees         33,204         1,248,926           Receiver Counsel Fees         38,446         746,083           Professional Fees - Auctioneer         0         66,067           Distributions to Claimants         4         0         2,490,520           First Dist. Paid to Class 3 (Unsecured) Claimants         4         0         2,490,520           First Dist. Paid to Class 4 (Convenience) Claimants         4         0         2,261,210           Second Dist. Reserve for Disputed Claims         4         0         2,261,210           Second Dist. Reserve for Disputed Claims         4         0         248,213           Transfer from Disputed Claims Reserve         4         0         (1,783	Freight / Delivery Cost		0	243,360
State/Local Sales & Other Taxes       3,370       177,613         Outside Services       2       78,299       981,807         Utilities (Including Trash Removal)       0       121,607         Flex Spending Account Contributions       0       8,527         Merchant Fees for Credit Card Processing       0       20,442         Miscellaneous Other Overhead Expenses       1,404       512,822         Miscelianeous Other Overhead Expenses       83,073       4,483,604         Receiver Bond       0       10,000         Receiver Fees       33,204       1,248,926         Receiver Counsel Fees       38,446       746,083         Professional Fees - Auctioneer       0       66,067         Distributions to Claimants       4       0       2,490,520         First Dist. Paid to Class 3 (Unsecured) Claimants       4       0       2,490,520         First Dist. Paid to Class 4 (Convenience) Claimants       4       0       2,261,210         Second Dist. Paid to Class 3 (Unsecured) Claims       4       0       2,261,210         Second Dist. Reserve for Disputed Claims       4       0       2,261,210         Second Dist. Reserve for Disputed Claims       4       0       248,213         Transfer fr	Insurance		0	116,613
Outside Services         2         78,299         981,807           Utilities (Including Trash Removal)         0         121,607           Flex Spending Account Contributions         0         8,527           Merchant Fees for Credit Card Processing         0         20,442           Miscellaneous Other Overhead Expenses         1,404         512,822           Miscellaneous Other Overhead Expenses         38,073         4,483,604           Receiver Bond         0         10,000           Receiver Fees         33,204         1,248,926           Receiver Counsel Fees - Auctioneer         0         66,067           Receiver Counsel Fees - Auctioneer         0         66,067           Total Distributions to Claimants         4         0         2,490,520           First Dist. Paid to Class 3 (Unsecured) Claimants         4         0         2,490,520           First Dist. Paid to Class 4 (Convenience) Claimants         4         0         2,261,210           Second Dist. Reserve for Disputed Claims         4         0         2,261,210           Second Dist. Reserve for Disputed Claims         4         0         248,213           Transfer from Disputed Claims Reserve         4         0         (1,783,881)           Total Dist	Telephone		0	120,250
Utilities (Including Trash Removal)         0         121,607           Flex Spending Account Contributions         0         8,527           Merchant Fees for Credit Card Processing         0         20,442           Miscellaneous Other Overhead Expenses         1,404         512,822           83,073         4,483,604           Receiver Bond         0         10,000           Receiver Fees         33,204         1,248,926           Receiver Counsel Fees - Auctioneer         0         66,067           Professional Fees - Auctioneer         0         66,067           71,650         2,071,077           Distributions to Claimants         4         0         2,490,520           First Dist. Paid to Class 3 (Unsecured) Claimants         4         0         284,983           First Dist. Reserve for Disputed Claims         4         0         2,261,210           Second Dist. Paid to Class 3 (Unsecured) Claimants         4         0         2,261,210           Second Dist. Reserve for Disputed Claims         4         0         248,213           Transfer from Disputed Claims Reserve         4         0         (1,783,881)           Total Distributions         122,826         4,615,332	State/Local Sales & Other Taxes		3,370	177,613
Flex Spending Account Contributions         0         8,527           Merchant Fees for Credit Card Processing         0         20,442           Miscellaneous Other Overhead Expenses         1,404         512,822           83,073         4,483,604           Receivership Expenses           Receiver Bond         0         10,000           Receiver Fees         33,204         1,248,926           Receiver Counsel Fees         38,446         746,083           Professional Fees - Auctioneer         0         66,067           Distributions to Claimants         4         0         2,490,520           First Dist. Paid to Class 3 (Unsecured) Claimants         4         0         284,983           First Dist. Paid to Class 4 (Convenience) Claimants         4         0         2,261,210           Second Dist. Paid to Class 3 (Unsecured) Claimants         4         0         2,261,210           Second Dist. Reserve for Disputed Claims         4         122,826         1,114,286           Second Dist. Reserve for Disputed Claims         4         0         248,213           Transfer from Disputed Claims Reserve         4         0         (1,783,881)           Total Distributions         122,826         4,615,332	Outside Services	2	78,299	981,807
Merchant Fees for Credit Card Processing         0         20,442           Miscellaneous Other Overhead Expenses         1,404         512,822           83,073         4,483,604           Receivership Expenses           Receiver Bond         0         10,000           Receiver Fees         33,204         1,248,926           Receiver Counsel Fees         38,446         746,083           Professional Fees - Auctioneer         0         66,067           71,650         2,071,077           Distributions to Claimants         4         0         2,490,520           First Dist. Paid to Class 3 (Unsecured) Claimants         4         0         284,983           First Dist. Paid to Class 4 (Convenience) Claimants         4         0         2,261,210           Second Dist. Reserve for Disputed Claims         4         0         2,261,210           Second Dist. Reserve for Disputed Claims         4         122,826         1,114,286           Second Dist. Reserve for Disputed Claims         4         0         248,213           Transfer from Disputed Claims Reserve         4         0         (1,783,881)           Total Distributions         122,826         4,615,332	Utilities (Including Trash Removal)		0	121,607
Miscellaneous Other Overhead Expenses         1,404         512,822           83,073         4,483,604           Receivership Expenses         38,004         10,000           Receiver Bond         0         10,000           Receiver Fees         33,204         1,248,926           Receiver Counsel Fees         38,446         746,083           Professional Fees - Auctioneer         0         66,067           71,650         2,071,077           Distributions to Claimants         4         0         2,490,520           First Dist. Paid to Class 3 (Unsecured) Claimants         4         0         2,490,520           First Dist. Paid to Class 4 (Convenience) Claimants         4         0         2,261,210           Second Dist. Reserve for Disputed Claims         4         0         2,261,210           Second Dist. Reserve for Disputed Claims         4         0         248,213           Transfer from Disputed Claims Reserve         4         0         (1,783,881)           Total Distributions         122,826         4,615,332			0	8,527
Receivership Expenses         Receiver Bond       0       10,000         Receiver Fees       33,204       1,248,926         Receiver Counsel Fees       38,446       746,083         Professional Fees - Auctioneer       0       66,067         71,650       2,071,077         Distributions to Claimants         First Dist. Paid to Class 3 (Unsecured) Claimants       4       0       2,490,520         First Dist. Paid to Class 4 (Convenience) Claimants       4       0       284,983         First Dist. Reserve for Disputed Claims       4       0       2,261,210         Second Dist. Paid to Class 3 (Unsecured) Claimants       4       122,826       1,114,286         Second Dist. Reserve for Disputed Claims       4       0       248,213         Transfer from Disputed Claims Reserve       4       0       (1,783,881)         Total Distributions       122,826       4,615,332	-			•
Receiver Ship Expenses         Receiver Bond       0       10,000         Receiver Fees       33,204       1,248,926         Receiver Counsel Fees       38,446       746,083         Professional Fees - Auctioneer       0       66,067         71,650       2,071,077         Distributions to Claimants         First Dist. Paid to Class 3 (Unsecured) Claimants       4       0       2,490,520         First Dist. Paid to Class 4 (Convenience) Claimants       4       0       224,993         First Dist. Reserve for Disputed Claims       4       0       2,261,210         Second Dist. Paid to Class 3 (Unsecured) Claimants       4       122,826       1,114,286         Second Dist. Reserve for Disputed Claims       4       0       248,213         Transfer from Disputed Claims Reserve       4       0       (1,783,881)         Total Distributions       122,826       4,615,332	Miscellaneous Other Overhead Expenses	_	1,404	
Receiver Bond       0       10,000         Receiver Fees       33,204       1,248,926         Receiver Counsel Fees       38,446       746,083         Professional Fees - Auctioneer       0       66,067         71,650       2,071,077         Distributions to Claimants         First Dist. Paid to Class 3 (Unsecured) Claimants       4       0       2,490,520         First Dist. Paid to Class 4 (Convenience) Claimants       4       0       284,983         First Dist. Reserve for Disputed Claims       4       0       2,261,210         Second Dist. Paid to Class 3 (Unsecured) Claimants       4       122,826       1,114,286         Second Dist. Reserve for Disputed Claims       4       0       248,213         Transfer from Disputed Claims Reserve       4       0       (1,783,881)         Total Distributions       122,826       4,615,332		_	83,073	4,483,604
Receiver Bond       0       10,000         Receiver Fees       33,204       1,248,926         Receiver Counsel Fees       38,446       746,083         Professional Fees - Auctioneer       0       66,067         71,650       2,071,077         Distributions to Claimants         First Dist. Paid to Class 3 (Unsecured) Claimants       4       0       2,490,520         First Dist. Paid to Class 4 (Convenience) Claimants       4       0       284,983         First Dist. Reserve for Disputed Claims       4       0       2,261,210         Second Dist. Paid to Class 3 (Unsecured) Claimants       4       122,826       1,114,286         Second Dist. Reserve for Disputed Claims       4       0       248,213         Transfer from Disputed Claims Reserve       4       0       (1,783,881)         Total Distributions       122,826       4,615,332	Receivership Expenses			
Receiver Fees       33,204       1,248,926         Receiver Counsel Fees       38,446       746,083         Professional Fees - Auctioneer       0       66,067         T1,650       2,071,077         Distributions to Claimants         First Dist. Paid to Class 3 (Unsecured) Claimants       4       0       2,490,520         First Dist. Paid to Class 4 (Convenience) Claimants       4       0       284,983         First Dist. Reserve for Disputed Claims       4       0       2,261,210         Second Dist. Paid to Class 3 (Unsecured) Claimants       4       122,826       1,114,286         Second Dist. Reserve for Disputed Claims       4       0       248,213         Transfer from Disputed Claims Reserve       4       0       (1,783,881)         Total Distributions       122,826       4,615,332	• •		0	10,000
Receiver Counsel Fees         38,446         746,083           Professional Fees - Auctioneer         0         66,067           71,650         2,071,077           Distributions to Claimants           First Dist. Paid to Class 3 (Unsecured) Claimants         4         0         2,490,520           First Dist. Paid to Class 4 (Convenience) Claimants         4         0         284,983           First Dist. Reserve for Disputed Claims         4         0         2,261,210           Second Dist. Paid to Class 3 (Unsecured) Claimants         4         122,826         1,114,286           Second Dist. Reserve for Disputed Claims         4         0         248,213           Transfer from Disputed Claims Reserve         4         0         (1,783,881)           Total Distributions         122,826         4,615,332	Receiver Fees		33,204	
Distributions to Claimants         71,650         2,071,077           First Dist. Paid to Class 3 (Unsecured) Claimants         4         0         2,490,520           First Dist. Paid to Class 4 (Convenience) Claimants         4         0         284,983           First Dist. Reserve for Disputed Claims         4         0         2,261,210           Second Dist. Paid to Class 3 (Unsecured) Claimants         4         122,826         1,114,286           Second Dist. Reserve for Disputed Claims         4         0         248,213           Transfer from Disputed Claims Reserve         4         0         (1,783,881)           Total Distributions         122,826         4,615,332	Receiver Counsel Fees		38,446	746,083
Distributions to ClaimantsFirst Dist. Paid to Class 3 (Unsecured) Claimants402,490,520First Dist. Paid to Class 4 (Convenience) Claimants40284,983First Dist. Reserve for Disputed Claims402,261,210Second Dist. Paid to Class 3 (Unsecured) Claimants4122,8261,114,286Second Dist. Reserve for Disputed Claims40248,213Transfer from Disputed Claims Reserve40(1,783,881)Total Distributions122,8264,615,332	Professional Fees - Auctioneer		0	66,067
First Dist. Paid to Class 3 (Unsecured) Claimants 4 0 2,490,520 First Dist. Paid to Class 4 (Convenience) Claimants 4 0 284,983 First Dist. Reserve for Disputed Claims 4 0 2,261,210 Second Dist. Paid to Class 3 (Unsecured) Claimants 4 122,826 1,114,286 Second Dist. Reserve for Disputed Claims 4 0 248,213 Transfer from Disputed Claims Reserve 4 0 (1,783,881) Total Distributions 1 122,826 4,615,332		-	71,650	2,071,077
First Dist. Paid to Class 3 (Unsecured) Claimants 4 0 2,490,520 First Dist. Paid to Class 4 (Convenience) Claimants 4 0 284,983 First Dist. Reserve for Disputed Claims 4 0 2,261,210 Second Dist. Paid to Class 3 (Unsecured) Claimants 4 122,826 1,114,286 Second Dist. Reserve for Disputed Claims 4 0 248,213 Transfer from Disputed Claims Reserve 4 0 (1,783,881) Total Distributions 1 122,826 4,615,332	Distributions to Claimants	-		
First Dist. Paid to Class 4 (Convenience) Claimants 4 0 284,983  First Dist. Reserve for Disputed Claims 4 0 2,261,210  Second Dist. Paid to Class 3 (Unsecured) Claimants 4 122,826 1,114,286  Second Dist. Reserve for Disputed Claims 4 0 248,213  Transfer from Disputed Claims Reserve 4 0 (1,783,881)  Total Distributions 122,826 4,615,332		Л	Λ	2 /190 520
First Dist. Reserve for Disputed Claims 4 0 2,261,210 Second Dist. Paid to Class 3 (Unsecured) Claimants 4 122,826 1,114,286 Second Dist. Reserve for Disputed Claims 4 0 248,213 Transfer from Disputed Claims Reserve 4 0 (1,783,881) Total Distributions 122,826 4,615,332				
Second Dist. Paid to Class 3 (Unsecured) Claimants4122,8261,114,286Second Dist. Reserve for Disputed Claims40248,213Transfer from Disputed Claims Reserve40(1,783,881)Total Distributions122,8264,615,332				
Second Dist. Reserve for Disputed Claims40248,213Transfer from Disputed Claims Reserve40(1,783,881)Total Distributions122,8264,615,332	·	-		
Transfer from Disputed Claims Reserve40(1,783,881)Total Distributions122,8264,615,332				
Total Distributions 122,826 4,615,332	·			
	•	٠ -		
	Total Distributions	=	122,020	

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Exhibit 1 1 of 2

Case No.: 3:12-CV- 00694-HZ

# Myers & Co. Consultants, LLC Receiver's Report of Cash Activity For the Sep. 1 to Nov. 25, 2013 and

### For the Period April 19, 2012 (Date of Appointment) through Nov. 25, 2013

Account / Description	Notes	June 1 Through November 25, 2013	Appointment (April 19, 2012) through November 25, 2013
Total Decreases in Cash	- -	280,046	28,411,643
Cash Ending Balance - November 25, 2013	- =	50,445	50,445
First Capital Credit Line Activity	3		
No Activity	_	0_	0
Ending Balance - November 25, 2013	=	0	0
Reserve for Disputed Claims			
Beginning Balance September 1, 2013	4	726,245	1,847,489
Addition to Reserve	4	325	662,962
Reduction for Resolved Claims	4	0	(1,783,881)
Ending Balance - November 25, 2013	_	726,570	726,570

### Notes to Receiver Report

#### 1 Cash Beginning Balance

Myers & Co., Consultants LLC was appointed receiver under case No. 3:12-CV-00694-HZ on April 19, 2012. Beginning cash reflects the book balances in five cash accounts in Wells Fargo Bank, N.A. as of the close of business on April 18, 2012 and as of the end of the previous report.

### 2 Outside Services

Outside services include payments to Blakeley & Blakeley (\$45K) Creditors Committee Counsel, Kenneth Davis (\$7.2K) for accounting services, to Scott Hookland (\$5.4K) for collection services, to Terry Dotson (\$20.1K) for management services, and other small service providers.

### 3 First Capital Corporation - Holdback

At the time of loan repayment, First Capital Corporation held back \$50K to cover future legal and administrative costs. During the months of August 2012 through February 2013, legal and administrative costs used this holdback with no balance remaining at 2/28/13.

#### 4 Distributions to Creditors & Reserves

On January 31, 2013 the Receiver made the first distribution to creditors in the court approved amount of \$3.8MM to general unsecured (Class 3) and convenience (Class 4) claimants as specified in the Joint Distribution Plan of the Receiver and the Committee. During the period September 1, 2013 through November 25, 2013, \$122.8K was distributed to unsecured claimants. That amount consisted of \$125K in a settlement payment to Sensus less voided checks from prior distributions where the claimant can not be located in the amount of \$2,174.

On April 30, 2013, the second distribution to creditors was made for \$1MM with \$752K being distributed to creditors and \$248K added to the reserves for disputed claims. During the Quarter from March through May 2013, \$1.67MM was released from reserves as disputed claims were resolved. As of November 25, 2013, \$726K remains in the disputed claims reserve and the disputed claims resolution process continues. The account earned \$325 in interest for this quarter.

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